

**Financial results for the six months and period ended September 30, 2014**

(₹ in Lacs)

Particulars	Quarter ended as on			Year to date ended as on		
	30th September, 2014	30th September, 2013	30th June, 2014	30th September, 2014	30th September, 2013	31st March, 2014
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1 (a) Income from Operations	4,742	5,914	11,427	16,169	14,441	40,761
(b) Other Operating Income	2	12	4	6	16	33
Total Income (1(a)+1(b))	<b>4,744</b>	<b>5,926</b>	<b>11,431</b>	<b>16,175</b>	<b>14,457</b>	<b>40,794</b>
2 Expenditure						
a. Consumables & Spares consumed	1,068	1,472	890	1,958	2,271	3,952
b. Employee benefit expenses (including offshore staff)	1,992	2,068	2,067	4,059	3,891	8,371
c. Dry Dock Expenditure Incurred	0	3,876	0	0	4,693	4,500
d. Depreciation and amortisation	768	923	818	1,586	1,848	3,785
e. Diving sub contractor cost	480	1,728	3,114	3,594	3,985	11,115
f. Bare Boat Charter Expenses	1,091	1,103	1,069	2,160	2,107	4,319
g. Other Expenditure	1,082	1,562	1,337	2,419	2,803	5,771
<b>h. Total</b>	<b>6,481</b>	<b>12,732</b>	<b>9,295</b>	<b>15,776</b>	<b>21,598</b>	<b>41,813</b>
3 Profit from Operations before Other Income, Finance cost & Exceptional Items (1-2)	(1,737)	(6,806)	2,136	399	(7,141)	(1,019)
4 Other Income	840	449	458	1,298	1,536	1,545
5 Profit before Finance cost & Exceptional Items (3+4)	(897)	(6,357)	2,594	1,697	(5,605)	526
6 Finance Cost	1	4	2	3	4	13
7 Profit after Finance cost but before Exceptional Items (5-6)	(898)	(6,361)	2,592	1,694	(5,609)	513
8 Exceptional Items	0	0	0	0	0	0
9 Profit (+)/ Loss (-) from ordinary activities before tax (7+8)	(898)	(6,361)	2,592	1,694	(5,609)	513
10 Tax expense	184	190	103	287	390	408
11 Profit (+)/ Loss (-) from ordinary activities after tax (9-10)	(1,082)	(6,551)	2,489	1,407	(5,999)	105
12 Extraordinary items	0	0	0	0	0	0
13 Net Profit (+) /Loss (-) for the period (11-12)	<b>(1,082)</b>	<b>(6,551)</b>	<b>2,489</b>	<b>1,407</b>	<b>(5,999)</b>	<b>105</b>
14 Paid up equity share capital (face value : Rs 10/- each)	3,390	3,390	3,390	3,390	3,390	3,390
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						43,793
16 Earning Per Share (EPS)						
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(3.19)	(19.32)	7.34	4.15	(17.70)	0.31
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(3.19)	(19.32)	7.34	4.15	(17.70)	0.31
17 Dividend per share (par value Rs 10/- each)	0	0	0	0	0	0
18 Public shareholding						
- Number of shares	8,476,197	8,475,000	16,611,000	8,475,000	8,475,000	8,475,000
- Percentage of shareholding (%)	25	25	49	25	25	25
19 Promoters and promoter group shareholding						
(a) Pledged/Encumbered						
- Number of shares	0	0	0	0	0	0
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0	0	0	0	0	0
- Percentage of shares (as a % of the total share capital of the Company)	0	0	0	0	0	0
(b) Non-encumbered						
- Number of shares	25,423,803	25,425,000	17,289,000	25,425,000	25,425,000	25,425,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
- Percentage of shares (as a % of the total share capital of the Company)	75	75	51	75	75	75

1 During the quarter revenue has decreased compared to previous quarter, due to lower deployment days. One of the vessel was in routine dry dock and another one is in dock for upgradation to meet requirements of new contract, in the next quarter.

2 During the year 2011, the Directorate of Revenue Intelligence (DRI) had instituted an enquiry in relation to payment of customs duty towards repairs/drydock undertaken on Company's vessels SEAMEC-I, SEAMEC-II and SEAMEC-III incurred outside India since 2002. The DRI provisionally assessed customs duty of ₹ 1,266 lakhs, which the company has paid under protest subject to adjudication in December 2011. DRI finally issued show cause notice following the above, adjudication proceedings carried before Commissioner of Customs who, vide order dated 28th March 2013, made total claim to Company, including duty, penalty, interest and confiscation fine, calculated to ₹ 11,970 lakhs after adjustment of duty already paid by Company in Dec 2011 under protest.

The Company has since obtained stay from Hon'ble Customs, Excise & Service Tax Appellate Tribunal, customs. (CESTAT) against the order of commissioner of customs for vessel SEAMEC-III, SEAMEC II & SEAMEC-I. Hearing of appeal is to commence the company has so far furnished bank guarantee to the tune of ₹ 1520 lakhs.

The Company is of the view that it has a strong case on merit and is contesting the same. Hence no further provision made towards the claim made to the Company as stated in the order of The Commissioner of Customs.

3 Foreign Exchange violation case related to import of Land Drilling Rig continues to be pending before Hon'ble High Court at Mumbai. The Company believes there was no contravention of FERA, hence no provision has been made against the penalty of ₹ 1,000 lakhs imposed by Directorate of Enforcement.

4 Following Shareholders' approval, the Company sought approval of the Central Government for payment of excess remuneration of Rs 105.10 lakhs to Managing Director for the year 2010-11, due to absence of profit. The Central Government had sanctioned ₹ 76.26 lakhs. The Company has made representation for review of partial sanction. Decision is awaited.

5 Coflexip Stena Offshore (Mauritius) Limited (CSOML), the erstwhile promoter entered into a share purchase agreement with HAL Offshore Limited (HAL) dated 22nd April, 2014 for disinvestment of its holding between 51% to 75% to HAL in two tranches. Accordingly first tranche of 51% shares transferred on 3rd June, 2014 and second tranche of 24% on 26th September, 2014, following which HAL become the promoter and acquired management control.

6 Consequent to the requirements of the Companies Act, 2013 relating to componentization, the Company has changed its accounting policy for expenditure incurred on dry-docking, which is now capitalized as a separate component of the cost of the relevant vessel, and amortized systematically over the interval until the subsequent scheduled dry-docking. Accordingly, the Company has capitalized dry-docking expenses of ₹ 1588.70 lacs incurred during the quarter, with an associated depreciation impact of ₹ 27.90 lacs. The dry-docking expenses were hitherto recognized as an expense as and when incurred.

**7 Statement of assets & liabilities**

Particulars	As at	As at
	30.09.2014	31.03.2014
<b>I. EQUITY AND LIABILITIES</b>	Unaudited	Audited
<b>(1) Shareholders' Funds</b>		
(a) Share Capital	3,390	3,390
(b) Reserves and Surplus	45,199	43,793
<b>(2) Current Liabilities</b>		
(a) Short Term Borrowings	380	0
(b) Trade payables	6,901	6,936
(c) Other current liabilities	488	416
(d) Short term provision	120	123
<b>Total</b>	<b>56,478</b>	<b>54,658</b>
<b>II. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	18,256	17,650
(ii) Intangible assets	13	15
(iii) Capital work-in-progress	2,082	26
(b) Non-current investments	257	257
(c) Long term loans and advances	5,315	5,438
(d) Other Non Current Assets	2,525	1,919
<b>(2) Current assets</b>		
(a) Inventories	3,404	2,477
(b) Trade receivables	7,312	14,869
(c) Cash and bank balances	14,979	10,036
(d) Short-term loans and advances	1,841	1,616
(e) Other current assets	365	225
Fixed assets held for sale	130	130
<b>Total</b>	<b>56,478</b>	<b>54,658</b>

( ₹ in Lacs)

8 Segment Report: -	Quarter ended as on			Year to date ended as on		
	30th	30th	30th	30th	30th	31st
	September, 2014	September, 2013	June, 2014	September, 2014	September, 2013	March, 2014
<b>Geographic Segment</b>	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1 Segment Revenue (net income from each segment)</b>						
a. Domestic	841	3,453	7,134	7,975	8,856	24,846
b. Overseas	3,896	2,473	4,297	8,193	5,600	15,948
<b>Total</b>	<b>4,737</b>	<b>5,926</b>	<b>11,431</b>	<b>16,168</b>	<b>14,456</b>	<b>40,794</b>
<b>Less: Inter segment revenue</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>Net Income from Operations</b>	<b>4,737</b>	<b>5,926</b>	<b>11,431</b>	<b>16,168</b>	<b>14,456</b>	<b>40,794</b>
<b>2 Segment results: (Profit/(Loss) before tax and Finance cost from each segment)</b>						
a. Domestic	(2,005)	(3,818)	1,274	(731)	(3,869)	(1,549)
b. Overseas	716	(3,094)	1,005	1,721	(2,905)	1,451
<b>Total</b>	<b>(1,289)</b>	<b>(6,912)</b>	<b>2,279</b>	<b>990</b>	<b>(6,774)</b>	<b>(98)</b>
<b>Adjustment for</b>						
c. Finance Cost	(1)	4	4	3	4	32
d. Other un-allocable income	390	554	317	707	1,168	642
<b>Total Profit before tax</b>	<b>(898)</b>	<b>(6,362)</b>	<b>2,592</b>	<b>1,694</b>	<b>(5,610)</b>	<b>512</b>
<b>3 Capital Employed*</b>	<b>48,589</b>	<b>41,079</b>	<b>49,671</b>	<b>48,589</b>	<b>41,079</b>	<b>47,183</b>

\* Capital employed has not been identified with any of the reportable segments, as the assets used in the Company's business and the liabilities contracted are used interchangeably between segments.

9 The previous period figures have been regrouped / reclassified where necessary.

10 Information on investor complaints for the Quarter (Nos): Opening Balance – NIL Additions – NIL Disposals – NIL Closing Balance- NIL.

11 The above results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors at a meeting held on 14 November 2014.

Limited Review : The Limited Review by Statutory Auditors for the quarter as required under clause 41 of the Listing Agreement has been completed and the related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes which need to be explained.

For & on Behalf of Board of Directors

Place: Mumbai  
Date: 14 November 2014

Captain C J Rodricks  
Managing Director